

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re: : **Chapter 11**
:
SEARS HOLDINGS CORPORATION, et al., : **Case No. 18-23538 (RRD)**
:
Debtors.¹ : **(Jointly Administered)**
:
-----X

**SUMMARY SHEET TO THE SECOND INTERIM FEE
APPLICATION OF EVERCORE GROUP L.L.C. FOR ALLOWANCE OF AN
ADMINISTRATIVE CLAIM FOR COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT BANKER TO
THE DEBTORS FOR THE PERIOD FROM MARCH 15, 2019 THROUGH AND
INCLUDING JULY 14, 2019**

General Information

Name of Applicant: Evercore Group L.L.C.

Authorized to Provide Professional Services to: Debtors and Debtors in Possession

Date of Retention: December 7, 2018, *nunc pro tunc* to October 15, 2018

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); Sears Brands Management Corporation (5365); and SRe Holding Company (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Prior Applications: Doc. 3204 – Evercore 1st Interim Fee Application

Period for which compensation and reimbursement is sought: March 15, 2019 through July 14, 2019 (the “Fee Period”)

Summary of Fees and Expenses Sought for the Fee Period

Amount of Fees Sought as Actual, Reasonable, and Necessary for the Fee Period: \$400,000.00

Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary for the Fee Period: \$0.00

Total Fees and Expense Reimbursement Requested for the Fee Period: \$400,000.00

Total Fees and Expenses Allowed Pursuant to Prior Applications

Total Allowed Fees Paid to Date: \$1,000,000.00

Total Allowed Expenses Paid to Date: \$17,095.30

Total Allowed Fees and Expenses Paid to Date: \$1,017,095.30

Total Fees and Expenses Paid to Applicant Pursuant to Monthly Statements

Fees Sought for this Fee Period Already Paid Pursuant to Monthly Fee Statements but Not Yet Allowed: \$240,000.00

Expenses Sought for this Fee Period Already Paid Pursuant to Monthly Fee Statements but Not Yet Allowed: \$0.00

Total Fees and Expenses Sought for this Fee Period Already Paid Pursuant to Monthly Fee Statements but Not Yet Allowed: \$240,000.00

Total Fees and Expenses Sought for this Compensation Period Not Yet Paid: \$160,000.00

This is a: ____ monthly X interim ____ final application

Summary of Prior Monthly Fee Statements

Date Filed & ECF No.	Period Covered	Total Compensation and Expenses Incurred for Period Covered		Total Amount Previously Requested with Prior Monthly Fee Statement		Total Amount Paid to Date		Amount Due
		Fees	Expenses	Fees	Expenses	Fees	Expenses	
3/28/19 ECF No. 2982 ²	3/15/19 – 4/14/19	\$200,000.00	\$0.00	\$160,000.00	\$0.00	\$160,000.00	\$0.00	\$40,000.00
6/25/19 ECF No. 4356	4/15/19 – 5/14/19	\$100,000.00	\$0.00	\$80,000.00	\$0.00	\$80,000.00	\$0.00	\$20,000.00
7/18/19 ECF No. 4562	5/15/19 – 6/14/19	\$50,000.00	\$0.00	\$40,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
8/6/19 ECF No. 4766	6/15/19 – 7/14/19	\$50,000.00	\$0.00	\$40,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
Total for Second Interim Fee Application	03/15/19 - 07/14/19	\$400,000.00	\$0.00	\$320,000.00	\$0.00	\$240,000.00	\$0.00	\$160,000.00

² For this period (March 15, 2019 through April 14, 2019), the total fee due to Evercore totaled \$200,000. Evercore previously inadvertently over-invoiced \$200,000.00 for the period of November 16, 2018 through December 15, 2018. Evercore has applied this prior period invoice against the fee for the monthly fee period covering March 15, 2019 – April 14, 2019. On May 14, 2019, Evercore, received \$160,000.00 in respect of the \$200,000.00 over-invoice. Pursuant to this Second Interim Fee Application, Evercore respectfully requests payment of the holdback of \$40,000.00 (\$200,000.00 less the \$160,000.00 already paid) in respect of the \$200,000.00 adjustment.

SUMMARY OF TIME SPENT BY EVERCORE PROFESSIONALS
FROM MARCH 15, 2019 – JULY 14, 2019

Name of Professional	Title	Total Hours
Daniel Aronson	Senior Managing Director	11.5
Jeremy Matican	Managing Director	38.5
Siddhesh Patkar	Associate	71.0
Jonathan Kamel	Analyst	74.0
Ajith Sukumar	Analyst	71.5
Total		266.5

SUMMARY OF SERVICES RENDERED BY EVERCORE PROFESSIONALS
FROM MARCH 15, 2019 – JULY 14, 2019

Category	Project Description	Total Hours
1	General Case Administration	0.0
2	Asset Transfers	0.0
3	Financing Transactions	0.0
4	Valuation	0.0
5	Sale Transaction	0.0
6	Board Communication	0.0
7	Court Testimony and Litigation Support	173.0
8	Hearings and Court Matters	9.0
9	Travel	4.0
10	Evercore Retention	3.0
11	Fee Application	77.5
Total		266.5

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : **Chapter 11**
:
SEARS HOLDINGS CORPORATION, et al., : **Case No. 18-23538 (RRD)**
:
Debtors.¹ : **(Jointly Administered)**
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**SECOND INTERIM FEE APPLICATION OF EVERCORE GROUP L.L.C. FOR
ALLOWANCE OF AN ADMINISTRATIVE CLAIM FOR COMPENSATION FOR
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED AS
INVESTMENT BANKER TO THE DEBTORS FOR THE PERIOD FROM MARCH 15,
2019 THROUGH AND INCLUDING JULY 14, 2019**

TO THE HONORABLE ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY JUDGE:

Evercore Group L.L.C. (“Evercore”), investment banker to the restructuring sub-committee (the “Restructuring Sub-Committee”) of the Sears Holding Corporation’s board of directors with respect to certain matters controlled by the Restructuring Sub-Committee (the “RSC Conflict Matters”), hereby submits its second interim fee application (the “Fee Application”),

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); Sears Brands Management Corporation (5365); and SRe Holding Company (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Rules for the Southern District of New York (the “Local Rules”), for allowance of compensation for professional services provided in the amount of \$400,000.00 for the period from March 15, 2019 through July 14, 2019 (the “Fee Period”). In support of this Fee Application, Evercore respectfully represents as follows:

Preliminary Statement

1. During the Fee Period, and since the commencement of these Chapter 11 cases (the “Chapter 11 Cases”), Evercore professionals have represented the Restructuring Sub-Committee professionally, diligently, and efficiently, advising them on a wide variety of highly complex matters and issues. With the advice and assistance of Evercore, the Restructuring Sub-Committee has, among other things, investigated and analyzed pre-petition financing transactions and asset transfers involving related parties, and participated in the negotiation of a sale transaction with ESL Investments comprising substantially all of its assets. Evercore has also provided substantial analysis and support to the Restructuring Sub-Committee as part of the Restructuring Sub-Committee’s investigation of claims relating to prepetition related party transactions, which culminated in the filing of a complaint against ESL Investments, Inc. and other related parties in relation to those claims [Docket No. 3278] (the “Complaint”). Given these accomplishments, Evercore respectfully submits that the compensation and expense reimbursement sought herein for the necessary and beneficial professional services Evercore provided to the Restructuring Sub-Committee during the Fee Period are reasonable and appropriate, commensurate with the scale, nature, and complexity of these Chapter 11 Cases, and should be allowed.

2. On November 16, 2018, this Court entered the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 796] (the “Interim Compensation Order”). The Interim Compensation Order provides that when seeking compensation for services rendered, professionals must submit monthly fee statements to certain notice parties. Each person receiving a statement has fifteen (15) days after its receipt to review and object to such monthly fee statements. If no objection is made, the Debtors are authorized to pay 80% of the fees requested (with the remaining 20% of the fees requested referred to herein as the “Holdback”) and 100% of the charges and disbursements requested. Evercore has submitted monthly fee statements for each of the months covered by the Fee Period. The aggregate Holdback amount for the Fee Period is \$80,000.00 (the “Second Interim Period Holdback”). Evercore is currently seeking allowance and payment of the Second Interim Period Holdback in addition to other fees.

3. This Fee Application has been prepared in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Interim Compensation Order, *the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases pursuant to General Order M-447* (Jan. 29, 2013) (the “Local Guidelines”),² and the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases*, effective November 1, 2013 (collectively, the “Fee Guidelines”). To the extent this Fee Application is not in compliance with the Fee Guidelines, Evercore respectfully submits that such noncompliance is immaterial and requests a waiver of the applicable requirements.

² The certification required by the Local Guidelines is attached as Exhibit A.

4. The Restructuring Sub-Committee has been given the opportunity to review this Fee Application and have approved the compensation and reimbursement of expenses requested herein.

Jurisdiction and Basis for Relief

5. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

A. The Chapter 11 Filings and General Case Background

6. On October 15, 2018 (the “Petition Date”) and continuing thereafter, each of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code, thereby commencing the instant cases (the “Chapter 11 Cases”). The Debtors continue to manage and operate their businesses as debtors in possession under sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases. An official committee of unsecured creditors was appointed on October 24, 2018. The Debtors’ Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Bankruptcy Rules.

7. Additional information regarding the Debtors’ business, capital structure, and the circumstances leading to the commencement of these Chapter 11 Cases is set forth in the *Declaration of Robert A. Riecker Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for Southern District of New York* [Docket No. 3] (the “Riecker Declaration”), which was filed with the Court on the Petition Date.

B. The Debtors' Retention of Evercore

8. On November 1, 2018, the Debtors filed an application to employ Evercore, pursuant to the terms and conditions of that certain engagement letter dated October 16, 2018, as investment banker [Docket No. 424] (the "Retention Application"). On December 7, 2018, the Court entered an order [Docket No. 1089] (the "Retention Order") approving the Retention Application as modified by the Retention Order.

9. The Retention Order authorized the Debtors to employ and retain Evercore, *nunc pro tunc* to the Petition Date, as the investment banker to the Restructuring Sub-Committee in these Chapter 11 Cases. The Retention Order further authorized Evercore to provide services solely at the direction of the Restructuring Sub-Committee with respect to the RSC Conflict Matters as described in the Retention Application, including the following:

- (a) Assist Paul, Weiss, Rifkind, Wharton & Garrison LLP ("Paul Weiss") and Young, Conway, Stargatt & Taylor LLP (together with Paul Weiss, "Counsel") in determining whether a matter constitutes an RSC Conflict Matter;
- (b) Assist Counsel in the investigation and analysis of RSC Conflict Matters;
- (c) Assist Counsel in implementing the directions of the Restructuring Sub-Committee, related to RSC Conflict Matters;
- (d) Assist Counsel in the evaluation of claims by or against the Company with respect to RSC Conflict Matters;
- (e) Assist counsel with analyzing the current and/or prior business, operations, and financial projections of the Company with respect to RSC Conflict Matters;
- (f) Attend Court hearings, meetings with Counsel, the Restructuring Sub-Committee, the Restructuring Committee, the Board, and/or other stakeholders, with respect to matters on which Evercore has been engaged to advise; and
- (g) Provide testimony, as necessary, with respect to matters on which Evercore has been engaged to advise Counsel in any proceedings under the Bankruptcy Code that are pending before the Court.

Relief Requested and Reimbursement of Expenses Requested

10. Pursuant to the Retention Order, in consideration for services provided to the Debtors, the Debtors agreed to pay Evercore the following amounts, pursuant to section 328(a) of the Bankruptcy Code, and subject to approval of this Court:

Fees	Amount	Expenses	Total
April 15 th , 2019 ³	\$200,000.00	\$0.00	\$200,000.00
May 15 th , 2019	\$100,000.00	\$0.00	\$100,000.00
June 15 th , 2019	\$50,000.00	\$0.00	\$50,000.00
July 15 th , 2019	\$50,000.00	\$0.00	\$50,000.00
Total	\$400,000.00	\$0.00	\$400,000.00

11. By this Fee Application, in accordance with the Retention Order and the Interim Compensation Order, Evercore seeks allowance on an interim basis and payment for compensation for professional services during the Fee Period in the amount of \$400,000.00. No expenses were incurred during this Fee Period.

12. Since the Petition Date, pursuant to the Interim Compensation Order, Evercore has received \$1,240,000.00 in fees (including 100% of the fees of \$400,000.00 approved in the Retention Order, 100% of the fees of \$600,000.00 under the First Monthly Fee Statement, 80% of

³ For this period (March 15, 2019 through April 14, 2019), the total fee due to Evercore totaled \$200,000. Evercore previously inadvertently over-invoiced \$200,000.00 for the period of November 16, 2018 through December 15, 2018. Evercore has applied this prior period invoice against the fee for the monthly fee period covering March 15, 2019 – April 14, 2019. On May 14, 2019, Evercore, received \$160,000.00 in respect of the \$200,000.00 over-invoice. Pursuant to this Second Interim Fee Application, Evercore respectfully requests payment of the holdback of \$40,000.00 (\$200,000.00 less the \$160,000.00 already paid) in respect of the \$200,000.00 adjustment.

the fees of \$200,000.00 under the Second Monthly Fee Statement and 80% of the fees of \$100,000.00 under the Third Monthly Fee Statement) and \$17,095.30 for expenses.

13. Evercore submits that the investment banking services and advice it rendered to the Restructuring Sub-Committee, in connection with the Debtors' Chapter 11 Cases during the Fee Period were necessary and beneficial to the Debtors, their creditors, and their estates. Evercore professionals provided a high level of service to the Restructuring Sub-Committee and devoted substantial time in connection with investigating the RSC Conflict Matters, evaluating any claims arising from the RSC Conflict Matters, and providing support for the Complaint filed by the Restructuring Sub-Committee.

14. During the Fee Period, Evercore professionals devoted a total of 266.5 hours to activities to support the Restructuring Sub-Committee. Schedules showing the name, position, and hours worked during the Fee Period of each Evercore professional are included in the cover pages to this Application. In accordance with the Retention Order, Evercore maintained written records of the time spent by professionals by matter of services rendered to the Restructuring Sub-Committee, which are attached to the Application as Exhibit B.

15. In accordance with the Retention Order, Evercore also maintained records of all actual and necessary out-of-pocket expenses incurred in connection with its rendition of services on behalf of the Restructuring Sub-Committee. For this fee period, Evercore did not incur any expenses in providing any of its services.

16. Evercore has not shared or agreed to share any of its compensation from the Debtors with any other person, other than as permitted by section 504 of the Bankruptcy Code. No promises have been received by Evercore as to compensation in connection with these Chapter 11 Cases, other than as approved by the Retention Order.

17. Although Evercore's compensation has already been found to be reasonable under the Retention Order as required by section 328(a) of the Bankruptcy Code, Evercore further submits that the amounts requested herein for compensation and expense reimbursement are fair and reasonable given: (i) the complexity of this case; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the cost of comparable services other than in a case under the Bankruptcy Code.

Summary of Services Rendered During the Fee Period

18. All services rendered by Evercore were performed at the request or direction of the Restructuring Sub-Committee or Counsel. Senior level professionals with extensive experience in the area of investment banking services directed Evercore's team. The investment banking services described in this Application were performed primarily by: Daniel Aronson (Senior Managing Director), Jeremy Matican (Managing Director), Siddhesh Patkar (Associate), Jonathan Kamel (Analyst) and Ajith Sukumar (Analyst).

19. The following summary identifies the areas to which Evercore professionals devoted substantial time and attention during the Fee Period.

Court Testimony and Litigation Support (Total Fee Period Hours: 173.0)

20. This category includes time spent assisting Paul Weiss in preparing/reviewing the Complaint. Evercore professionals extensively analyzed causes of action pursued by the Restructuring Sub-Committee, culminating in the filing of the Complaint. Evercore analyzed historical asset transfers and financing transactions as part of the Restructuring Sub-Committee's investigation. Evercore professionals also reviewed multiple drafts of the Complaint over the fee period.

Hearings and Court Matters (Total Fee Period Hours: 9.0)

21. This category includes time spent by Evercore professionals attending court hearings, either in person or via telephone.

Travel (Total Fee Period Hours: 4.0)

22. This category includes time spent by Evercore professionals traveling to and from court hearings, depositions and meetings at the offices of various legal advisors.

Evercore Retention (Total Fee Period Hours: 3.0)

23. This category includes time spent by Evercore corresponding and preparing materials for the Court Fee Examiner.

Fee Application (Total Fee Period Hours: 77.5)

24. This category includes time spent by Evercore preparing and reviewing its monthly fee statements, including efforts to ensure that all of the Evercore time and expense records comply with the applicable provisions of the Fee Guidelines and applicable orders of this Court.

Actual and Necessary Expenses Incurred by Evercore

25. For this fee period, Evercore did not incur any expenses in providing any of its services.

Evercore's Requested Compensation and Reimbursement Should be Allowed

26. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 of the Bankruptcy Code to govern the Court's award of such compensation. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses."

27. The Retention Order approved Evercore's compensation and expense reimbursement pursuant to section 328 of the Bankruptcy Code, subject to the terms of the Retention Order. Accordingly, compensation is sought subject to the standard of review set forth in section 328 of the Bankruptcy Code, and not the standard of review set forth in section 330 of the Bankruptcy Code, but subject to the terms of the Retention Order.

28. Evercore respectfully submits that the services it has rendered to the Restructuring Sub-Committee have been necessary and in the best interests of the Debtors and their estates and have furthered the goals of all parties in interest. Evercore professionals devoted substantial time during the Fee Period to, among other things, (i) assist the Restructuring Sub-Committee in investigating and analyzing the RSC Conflict Matters and (ii) supporting the Restructuring Sub-Committee's efforts to pursue causes of action on behalf of the estate. Such services were substantial and highly professional and facilitated the successful administration of the Chapter 11 Cases. Evercore's services were reasonable and necessary to the Debtors' restructuring and undertaken at the request of the Restructuring Sub-Committee.

29. In sum, Evercore respectfully submits that the professional services provided by Evercore on behalf of the Restructuring Sub-Committee during these Chapter 11 Cases were

necessary and appropriate given the complexity of these Chapter 11 Cases. Furthermore, Evercore submits that the compensation sought herein is reasonably given the time expended by Evercore, the nature and extent of Evercore's services provided, the value of Evercore's services, and the cost of comparable services outside of bankruptcy. Accordingly, Evercore respectfully submits that approval of the compensation sought herein is warranted and should be approved.

Reservation of Rights

30. Although every effort has been made to include all fees and expenses incurred in the Fee Period, some fees and expenses might not be included in this Fee Application due to delays caused by accounting and processing during the Fee Period. Evercore reserves the right to make further application to this Court for allowance of such fees and expenses not included herein.

Notice

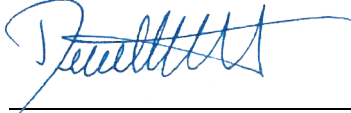
31. A copy of this Application has been or shortly will shortly be provided to the Notice Parties (as defined in the Interim Compensation Order), and notice thereof has been or shortly will be provided to all parties that have entered their appearance pursuant to Bankruptcy Rule 2002.

32. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, Evercore respectfully requests that the Court enter an order: (a) awarding Evercore compensation for professional and paraprofessional services provided during the Fee Period in the amount of \$400,000.00; (b) authorizing and directing the Debtors to remit payment to Evercore for such fees and expenses, to the extent not already paid; and (c) granting such other relief as is appropriate under the circumstances.

Dated: August 14, 2019
New York, New York

EVERCORE GROUP L.L.C.



Daniel Aronson
Senior Managing Director

Investment Banker to the Restructuring Sub-Committee

Exhibit A: Certification of Compliance

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re: : **Chapter 11**
:
SEARS HOLDINGS CORPORATION, *et al.*, : **Case No. 18-23538 (RRD)**
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Debtors. : **(Jointly Administered)**
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**CERTIFICATION OF DANIEL ARONSON REGARDING THE FIRST INTERIM FEE
APPLICATION OF EVERCORE GROUP L.L.C. FOR ALLOWANCE OF AN
ADMINISTRATIVE CLAIM FOR COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT BANKER TO
THE DEBTORS FOR THE PERIOD FROM MARCH 16, 2019 THROUGH AND
INCLUDING JULY 15, 2019**

I, Daniel Aronson, certify as follows:

1. I am a Senior Managing Director at Evercore Inc. ("Evercore"), with responsibility for the Debtors' Chapter 11 Cases¹ in respect of, among other things, compliance with the Fee Guidelines.
2. I have personally performed many of the investment banking and financial advisory services rendered by Evercore, as investment banker to the Restructuring Sub-Committee, and I am familiar with all other work performed on behalf of the Restructuring Sub-Committee by Evercore professionals.
3. With respect of section B.1 of the Local Guidelines, I hereby certify that:
 - a. I have read the Fee Application;

¹ Capitalized terms used but not otherwise defined in this Certification shall have the meanings ascribed to such terms in the Fee Application to which it is attached

b. To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought in the Fee Application fall within the Fee Guidelines, except as specifically set forth herein or in the Fee Application;

c. Except to the extent fees or disbursements are prohibited by the Fee Guidelines, the fees and disbursements sought in the Application are consistent with arrangements entered into by Evercore for similar services provided to clients such as the Restructuring Sub-Committee for representations of the type and complexity described in the Fee Application and generally accepted by Evercore's clients; and

d. In providing a reimbursable service, Evercore does not make a profit on the service, whether the service is performed by Evercore in-house or through a third party.

4. With respect to Section B.2 of the Local Guidelines, I hereby certify that Counsel has advised Evercore that the Restructuring Sub-Committee, the Debtors, the unsecured creditors' committee and the U.S. Trustee have been provided with a statement of the fees and out-of-pocket expenses incurred for each month subject to the Fee Application, containing a list of professionals providing services, the aggregate hours expended by each professional, a general description of services rendered, a reasonably detailed breakdown of the out-of-pocket expenses incurred and an explanation of billing practices.

5. With respect of section B.3 of the Local Guidelines, I hereby certify that Counsel has advised Evercore that the Restructuring Sub-Committee, the Debtors and the U.S. Trustee will each be provided with a copy of the Fee Application substantially simultaneously with the filing thereof and will have at least 14 days to review the Fee Application prior to any objection deadline with respect thereto.

Dated: August 14, 2019
New York, New York

EVERCORE GROUP L.L.C.



Daniel Aronson
Senior Managing Director

Exhibit B: Details of Hours Expended

Daniel Aronson, Senior Managing Director			
Date	Work Done	Hour	Code
4/11/2019	Review of Interim Fee App	0.5	Fee Application
4/12/2019	Review of Interim Fee App	1.0	Fee Application
4/13/2019	Review of PW Litigation Complaint	1.0	Court testimony and litigation support
4/14/2019	Review of PW Litigation Complaint	1.0	Court testimony and litigation support
4/15/2019	Review of Interim Fee App	0.5	Fee Application
4/17/2019	Review of PW Litigation Complaint	1.0	Court testimony and litigation support
4/25/2019	Review of Interim Fee Application	0.5	Fee Application
5/3/2019	Internal call regarding experts re: litigation	0.5	Court testimony and litigation support
5/13/2019	Internal discussion regarding experts re: litigation	0.5	Court testimony and litigation support
5/16/2019	Outreach to Potential experts re: litigation	1.0	Court testimony and litigation support
5/17/2019	Call with PW regarding Retail experts	0.5	Court testimony and litigation support
5/17/2019	Retail expert outreach followup	1.0	Court testimony and litigation support
5/21/2019	Internal EVR Call re: Retail experts	0.5	Court testimony and litigation support
5/28/2019	Review of Monthly Fee Statement	0.5	Fee Application
6/14/2019	Review of PW Litigation Complaint	1.0	Court testimony and litigation support
6/25/2019	Review of Evercore Monthly Fee Statement	0.5	Fee Application
		11.5	

Jeremy Matican, Managing Director			
Date	Work Done	Hour	Code
3/18/2019	Work session re: Asset Transfers Analysis	0.5	Court testimony and litigation support
3/19/2019	Review of Asset Transfers Analysis for PW Litigation	0.5	Court testimony and litigation support
3/25/2019	Review of Evercore Monthly Fee Statement	0.5	Fee Application
4/10/2019	Review of Interim Fee Application	2.5	Fee Application
4/11/2019	Review of PW Litigation Complaint	2.0	Court testimony and litigation support
4/12/2019	Review of Interim Fee Application	1.0	Fee Application
4/13/2019	Work session re: PW Litigation Complaint	4.0	Court testimony and litigation support
4/14/2019	Work session re: PW Litigation Complaint	3.5	Court testimony and litigation support
4/14/2019	Review of Interim Fee Application	0.5	Fee Application
4/15/2019	Work session re: PW Litigation Complaint	1.5	Court testimony and litigation support
4/16/2019	Work session re: PW Litigation Complaint	3.5	Court testimony and litigation support
4/17/2019	Work session re: PW Litigation Complaint	2.5	Court testimony and litigation support
4/25/2019	Review of Interim Fee Application	0.5	Fee Application
5/3/2019	Internal call regarding experts re:litigation	0.5	Court testimony and litigation support
5/13/2019	Internal discussion regarding experts re:litigation	1.0	Court testimony and litigation support
5/20/2019	Internal Meeting re: Retail experts	1.0	Court testimony and litigation support
5/28/2019	Review of Monthly Fee Statement	1.0	Fee Application
6/13/2019	Work session re: PW Litigation Complaint	1.0	Court testimony and litigation support
6/14/2019	Work session re: PW Litigation Complaint	0.5	Court testimony and litigation support
6/14/2019	Review of PW Litigation Complaint	2.0	Court testimony and litigation support
6/20/2019	Travel to Fee Hearing	2.0	Travel
6/20/2019	Fee Hearing	3.0	Hearings and Court Matters
6/20/2019	Travel from Fee Hearing	2.0	Travel
6/25/2019	Review of Evercore Monthly Fee Statement	1.0	Fee Application
		38.5	

Sid Patkar, Associate			
Date	Work Done	Hour	Code
3/19/2019	Review of Asset Transfers Analysis for PW Litigation	1.0	Court testimony and litigation support
3/25/2019	Preparation of Evercore Monthly Fee Statement	4.0	Fee Application
4/5/2019	Preparation of Interim Fee Application	2.5	Fee Application
4/8/2019	Preparation of Interim Fee Application	2.5	Fee Application
4/10/2019	Preparation of Interim Fee Application	4.0	Fee Application
4/11/2019	Review of PW Litigation Complaint	1.0	Court testimony and litigation support
4/11/2019	Preparation of Interim Fee Application	5.0	Fee Application
4/12/2019	Review of PW Litigation Complaint	1.0	Court testimony and litigation support
4/12/2019	Preparation of Interim Fee Application	4.0	Fee Application
4/13/2019	Preparation of Interim Fee Application	2.0	Fee Application
4/14/2019	Preparation of Interim Fee Application	1.0	Fee Application
4/24/2019	Preparation and Review of Interim Fee Application	2.0	Fee Application
4/25/2019	Preparation and Review of Interim Fee Application	2.0	Fee Application
5/2/2019	Internal discussion regarding experts re:litigation	0.5	Court testimony and litigation support
5/3/2019	Internal call regarding experts re:litigation	0.5	Court testimony and litigation support
5/3/2019	Follow-up Analysis to PW Litigation Complaint	0.5	Court testimony and litigation support
5/6/2019	Review of UCC Comments to PW Litigation Complaint	1.0	Court testimony and litigation support
5/13/2019	Research regarding potential experts re:litigation	3.0	Court testimony and litigation support
5/13/2019	Internal discussion regarding experts re:litigation	1.0	Court testimony and litigation support
5/16/2019	Retail expert outreach	3.0	Court testimony and litigation support
5/16/2019	Review of Fee Examiner Letter	1.0	Evercore Retention
5/17/2019	Call with PW regarding Retail experts	0.5	Court testimony and litigation support
5/17/2019	Retail expert outreach followup	1.0	Court testimony and litigation support
5/20/2019	Internal Meeting regarding Retail experts	1.0	Court testimony and litigation support
5/22/2019	Retail expert outreach followup	0.5	Court testimony and litigation support
5/28/2019	Call wth PW and potential retail expert	0.5	Court testimony and litigation support
5/28/2019	Preparation and Review of Evercore Monthly Fee Statement	3.0	Fee Application
6/12/2019	Work session of PW Litigation Complaint	2.0	Court testimony and litigation support
6/13/2019	Work session of PW Litigation Complaint and follow up	1.0	Court testimony and litigation support
6/14/2019	Work session of PW Litigation Complaint	1.0	Court testimony and litigation support
6/15/2019	Follow up on PW Litigation Complaint	4.0	Court testimony and litigation support
6/17/2019	Testimony Preparation	2.0	Court testimony and litigation support
6/19/2019	Draft Fee Order related follow up	1.0	Fee Application
6/20/2019	Draft Fee Order related follow up	1.0	Fee Application
6/25/2019	Preparation and review of Evercore Monthly Fee Statement	2.0	Fee Application
7/8/2019	Work session re: Rights Offerings	2.0	Court testimony and litigation support
7/8/2019	Work session re: Pension Liabilities	2.0	Court testimony and litigation support
7/9/2019	Work session re: Rights Offerings	2.0	Court testimony and litigation support
7/9/2019	Call w/ PW re: Asset Transfers and follow up	1.0	Court testimony and litigation support
7/9/2019	Work session re: Pension Liabilities	1.0	Court testimony and litigation support
		71.0	

Jonathan Kamel, Analyst			
Date	Work Done	Hour	Code
3/18/2019	Asset Transfers Analysis for PW Litigation	3.0	Court testimony and litigation support
3/19/2019	Asset Transfers Analysis for PW Litigation	4.0	Court testimony and litigation support
3/25/2019	Preparation of Evercore Monthly Fee Statement	1.0	Fee Application
4/11/2019	Review of PW Litigation Complaint	6.0	Court testimony and litigation support
4/12/2019	Review of PW Litigation Complaint	8.0	Court testimony and litigation support
4/13/2019	Review of PW Litigation Complaint	10.0	Court testimony and litigation support
4/14/2019	Review of PW Litigation Complaint	9.0	Court testimony and litigation support
4/15/2019	Preparation of Evercore First Interim Fee Statement	2.0	Fee Application
4/15/2019	Review of PW Litigation Complaint	4.0	Court testimony and litigation support
4/16/2019	Review of PW Litigation Complaint	5.0	Court testimony and litigation support
4/17/2019	Review of PW Litigation Complaint	6.0	Court testimony and litigation support
4/18/2019	Audio Attendance of Sears Omnibus Hearing	3.0	Hearings and Court Matters
4/23/2019	Preparation of Evercore Monthly Fee Statement	1.0	Fee Application
4/25/2019	Preparation of Evercore Monthly Fee Statement	1.0	Fee Application
5/2/2019	Discussion with PW Litigation re: Complaint Next Steps	1.0	Court testimony and litigation support
5/2/2019	Internal Discussion re: Complaint Next Steps	1.0	Court testimony and litigation support
5/2/2019	Internal discussion regarding experts relitigation	0.5	Court testimony and litigation support
5/3/2019	Internal call regarding experts relitigation	0.5	Court testimony and litigation support
5/3/2019	Follow-up Analysis to PW Litigation Complaint	2.0	Court testimony and litigation support
5/6/2019	Review of UCC Comments to PW Litigation Complaint	4.0	Court testimony and litigation support
5/13/2019	Internal discussion regarding experts relitigation	1.0	Court testimony and litigation support
5/16/2019	Review of Correspondence from Court Fee Examiner	1.0	Evercore Retention
		74.0	

Ajith Sukumar, Analyst

Date	Work Done	Hour	Code
3/20/2019	Preparation of Invoice	3.0	Fee Application
4/5/2019	Preparation of Interim Fee Application	2.0	Fee Application
4/8/2019	Preparation of Interim Fee Application	3.0	Fee Application
4/10/2019	Preparation of Interim Fee Application	2.0	Fee Application
4/18/2019	Audio Attendance of Sears Omnibus Hearing	3.0	Hearings and Court Matters
4/23/2019	Preparation of Evercore Monthly Fee Statement	3.0	Fee Application
4/25/2019	Preparation of Evercore Monthly Fee Statement	2.0	Fee Application
5/2/2019	Internal Discussion re: Complaint Next Steps	1.0	Court testimony and litigation support
5/2/2019	Internal discussion regarding experts re: litigation	0.5	Court testimony and litigation support
5/3/2019	Internal call regarding experts re: litigation	0.5	Court testimony and litigation support
5/13/2019	Internal discussion regarding experts re: litigation	1.0	Court testimony and litigation support
5/16/2019	Review of Correspondence from Court Fee Examiner	1.0	Evercore Retention
5/16/2019	Research on retail experts for litigation	5.0	Court testimony and litigation support
5/17/2019	Retail expert outreach followup	1.0	Court testimony and litigation support
5/20/2019	Internal Meeting regarding Retail experts	1.0	Court testimony and litigation support
5/22/2019	Retail expert outreach followup	1.0	Court testimony and litigation support
5/28/2019	Preparation of Evercore Monthly Fee Statement	4.0	Fee Application
6/12/2019	Work session re: PW Litigation Complaint	4.0	Court testimony and litigation support
6/14/2019	Work session re: PW Litigation Complaint	1.0	Court testimony and litigation support
6/15/2019	Work session re: PW Litigation Complaint	7.0	Court testimony and litigation support
6/17/2019	Testimony Preparation	3.0	Court testimony and litigation support
6/25/2019	Preparation of Evercore Monthly Fee Statement	3.0	Fee Application
7/2/2019	Work session re: PW presentation request	0.5	Court testimony and litigation support
7/8/2019	Work session re: Rights Offerings	3.0	Court testimony and litigation support
7/8/2019	Work session re: Pension Liabilities	4.0	Court testimony and litigation support
7/9/2019	Work session re: Rights Offerings	5.0	Court testimony and litigation support
7/9/2019	Call w/ PW re: Asset Transfers	1.0	Court testimony and litigation support
7/9/2019	Work session re: Pension Liabilities	2.0	Court testimony and litigation support
7/15/2019	Preparation of Evercore Monthly Fee Statement	4.0	Fee Application
		71.5	